

**American Players Theatre of
Wisconsin, Inc.**

Spring Green, Wisconsin

Financial Statements and Additional Information
Years Ended December 31, 2008 and 2007

	2007			Total
	Unrestricted	Temporarily Restricted	Permanently Restricted	
Operating revenue:				
Ticket sales	\$ 2,749,595	\$ 0	\$ 0	\$ 2,749,595
Sponsorship fees	69,005	0	0	69,005
Concession revenue	430,161	0	0	430,161
Tours and education	140,904	0	0	140,904
Investment income	52,719	0	0	52,719
Other	27,312	0	0	27,312
Total operating revenue	3,469,696	0	0	3,469,696
Operating expenses:				
Artistic and production	2,042,756	0	0	2,042,756
Marketing and patron services	1,069,754	0	0	1,069,754
General and administrative	727,367	0	0	727,367
Fund-raising	278,004	0	0	278,004
Tours and education	263,507	0	0	263,507
Total operating expenses	4,381,388	0	0	4,381,388
Loss from operations	(911,692)	0	0	(911,692)
Support:				
Contributions for operations	811,868	146,500	0	958,368
Contributions for capital improvements	80,831	2,168,485		2,249,316
Grants	70,338	0	0	70,338
Gain on net assets of the endowment	0	4,964	0	4,964
Net assets released from restrictions for operations	130,229	(130,229)	0	0
Net assets released from restrictions for capital improvements	205,165	(205,165)	0	0
Total support	1,298,431	1,984,555	0	3,282,986
Income from current activities	386,739	1,984,555	0	2,371,294
Depreciation expense	196,392	0	0	196,392
Total other activities	196,392	0	0	196,392
Changes in net assets	190,347	1,984,555	0	2,174,902
Net assets - Beginning of year	3,613,732	389,477	100,000	4,103,209
Net assets - End of year	\$ 3,804,079	\$ 2,374,032	\$ 100,000	\$ 6,278,111

American Players Theatre of Wisconsin, Inc.

Statements of Cash Flows

Years Ended December 31, 2008 and 2007

	2008	2007
Increase (decrease) in cash:		
Cash flows from operating activities:		
Changes in net assets	\$ 864,354	\$ 2,174,902
Adjustments to reconcile changes in net assets to net cash provided by (used in) operating activities:		
Depreciation	184,567	196,392
Loss (gain) in interest in net assets of the endowment	77,461	(4,964)
Discount on pledges receivable	(19,987)	72,575
Changes in operating assets and liabilities:		
Accounts receivable	17,680	(19,277)
Prepaid expenses	(44,792)	(69,880)
Gift shop inventory	(33,783)	0
Cash restricted for capital improvements	1,018,923	(900,923)
Accounts payable	599,489	5,715
Accrued payroll and related payroll expenses	33,840	263
Other accrued expenses	(495)	30,802
Deferred ticket revenue	(4,370)	1,381
Net cash provided by operating activities	2,692,887	1,486,986
Cash flows from investing activities:		
Purchase of certificate of deposit	(101,594)	0
Purchase of property and equipment	(2,260,610)	(231,421)
Net cash used in investing activities	(2,362,204)	(231,421)
Cash flows from financing activities:		
Contribution of pledges receivable	(379,100)	(1,631,900)
Collection of pledges receivable	490,327	454,083
Net cash provided by (used in) financing activities	111,227	(1,177,817)
Net changes in cash	441,910	77,748
Cash - Beginning of year	247,049	169,301
Cash - End of year	\$ 688,959	\$ 247,049
Supplemental disclosures of other cash activities:		
Interest paid and expensed	\$ 294	\$ 324

See accompanying notes to financial statements.

American Players Theatre of Wisconsin, Inc.

Notes to the Financial Statements

Note 1 **Summary of Significant Accounting Policies**

Nature and Purpose of Organization

American Players Theatre of Wisconsin, Inc. (APT) is a nonprofit organization involved in the study, production, and promotion of classical theatre. APT presents a mixture of Shakespeare and classic and contemporary playwrights in the most popular outdoor classical theater in the country. APT has a five-month season (from June to October) with productions six days a week. APT relies on ticket sales, grants, and contributions as significant sources of revenue.

Basis of Presentation

All financial statements are prepared using the accrual basis of accounting in accordance with accounting principles generally accepted in the United States.

Classification of Net Assets

Net assets and revenue, expenses, gains, and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets of APT and changes therein are classified and reported as follows:

Unrestricted Net Assets - Net assets that are not subject to donor-imposed stipulations or where donor-imposed stipulations are met in the year of the contribution.

Temporarily Restricted Net Assets - Net assets subject to donor-imposed stipulations that may or may not be met, either by actions of APT and/or the passage of time. When a restriction expires, temporarily restricted net assets are transferred to unrestricted net assets and reported in the statements of activities as net assets released from restrictions.

Permanently Restricted Net Assets - Net assets subject to donor-imposed stipulations that they be maintained permanently by APT. Generally, the donors of these assets permit APT to use all or part of the income earned on any related investments for general or specific purposes.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Revenue Recognition

Contributions are recognized when the donor makes a promise to give to APT that is, in substance, unconditional. Contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support, depending on the existence and nature of any donor restrictions. When a restriction expires, temporarily restricted net assets are reclassified

American Players Theatre of Wisconsin, Inc.

Notes to the Financial Statements

Note 1 **Summary of Significant Accounting Policies (Continued)**

Revenue Recognition (Continued)

as unrestricted net assets and reported in the statements of activities as released from restriction. If a restriction is met in the same period that the contribution is received, the contribution is recorded as unrestricted.

Conditional promises to give are recognized only when the conditions on which they depend are substantially met and the promises become unconditional.

Pledges Receivable

Unconditional promises to give are recognized as revenue in the period received and as a corresponding asset, decreases of liabilities, or expenses depending on the form of the benefits received. Promises to give are recorded at net realizable value if expected to be collected in more than one year. Conditional promises to give are recognized when the conditions on which they depend are substantially met.

Interest in Net Assets of the Endowment

APT has an ongoing economic interest in the net assets of American Players Theatre Endowment Trust and furthermore has residual rights to those net assets. The endowment's mission is to enable all persons interested in the programs of APT to combine contributions by gift, bequest, devise, or other transfer in a single fund for the support of APT. Accordingly, APT recognizes its interest in the net assets of the endowment, which is included in the accompanying statements of financial position as interest in net assets of the endowment. APT recognizes changes in its interest in net assets of the endowment and presents those changes in the accompanying statements of activities.

Gift Shop Inventory

Gift shop inventory is recorded at cost as items are purchased. This inventory consists of books, clothing and accessories, food, games, stationary and toys. Inventory is recorded on the first in, first out (FIFO) basis.

Costume Collection

APT owns a costume collection, the majority of which was constructed by APT employees. APT expenses the costs of obtaining or producing props, costumes, wigs, and sets in the year the costs are incurred. Accordingly, the value of the collection is not reflected as an asset on the statements of financial position.

American Players Theatre of Wisconsin, Inc.

Notes to the Financial Statements

Note 1 **Summary of Significant Accounting Policies (Continued)**

Property and Equipment

Property and equipment are recorded at cost. Depreciation of capitalized property and equipment is computed using the straight-line and double declining methods over lives ranging from three to thirty-nine years. Construction in progress represents the cumulative construction costs for the new theater. APT expects the project to be completed in the spring of 2009 at which time the total construction costs will be capitalized and depreciated of its useful life.

Deferred Ticket Revenue

Deferred ticket revenue represents amounts received for future theatre performances. Revenue is recognized when performances occur.

Income Tax Status

APT is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code. It is also exempt from Wisconsin franchise and income tax.

Contributed Services

Financial Accounting Standard No. 116 (FAS 116), *Accounting for Contributions Received and Contributions Made* requires that only contributions of service received that create or enhance a nonfinancial asset or require specialized skill by the individual possessing those skills and would typically need to be purchased if not provided by donation be recorded.

A substantial number of unpaid volunteers have made significant contributions of their time to APT's programs, principally in support services and fund-raising efforts. The value of this contributed time is not reflected in these financial statements since these services do not meet criteria for recognition as described in the above definition.

Advertising

APT expenses advertising costs in the year the advertising first takes place. Total advertising expense for the years ended December 31, 2008 and 2007, was \$66,509 and \$65,924, respectively.

Reclassifications

Certain reclassifications have been made to the 2007 financial statements to conform to the 2008 classifications. There was no effect on net assets.

American Players Theatre of Wisconsin, Inc.

Notes to the Financial Statements

Note 1 Summary of Significant Accounting Policies (Continued)

New Accounting Pronouncements

Effective January 1, 2008, APT adopted Statement of Financial Accounting Standards (SFAS) No. 157, Fair Value Measurements. SFAS No. 157 clarifies how organizations are required to use a fair value measure for recognition and disclosure by establishing a common definition of fair value, creating a framework for measuring fair value, and expanding disclosures about fair value measurements. SFAS No. 157 establishes a three-tier fair value hierarchy, which prioritizes the inputs used in measuring fair value. These tiers include Level 1, defined as observable inputs such as quoted market prices in active markets; Level 2, defined as inputs other than quoted market prices in active markets that are either directly or indirectly observable; and Level 3, defined as unobservable inputs in which little or no market data exists, therefore requiring an entity to develop its own assumptions. The adoption of SFAS No. 157 did not have a material impact on APT's results of operations or financial position.

In addition, APT was required to adopt Financial Accounting Standards Board Staff Position (FSP) No. 117-1, Endowments of Not-for-Profit Organizations, for the year ended December 31, 2008. FSP No. 117-1 provides guidance on the net asset classification of donor-restricted endowment funds for organizations subject to an enacted version of the Uniform Prudent Management of Institutional Funds Act of 2006 (UPMIFA). APT is not currently subject to UPMIFA; accordingly, the requirements of FSP No. 117-1 regarding net asset classification are not applicable to APT. However, FSP No. 117-1 also requires additional disclosures for organizations whether or not they are subject to UPMIFA to enable users of the financial statements to understand the net asset classification, net asset composition, changes in net asset composition, spending policies, and related investment policies of an organization's endowment funds, both donor-restricted and Board-designated. The disclosures are required for each period presented and are included in Note 4 to the financial statements. The adoption of FSP No. 117-1 had no effect on APT's total net assets or the net asset classifications.

Note 2 Concentration of Credit Risk

APT maintains cash balances at one financial institution. The Emergency Economic Stabilization Act of 2008, passed on October 3, 2008, increased insurance limits per depositor for accounts held at FDIC-insured banks and NCUSIF-insured credit unions from \$100,000 to \$250,000. This is a temporary increase which is effective from October 3, 2008 until December 31, 2009. Management believes this financial institution has a strong credit rating and credit risk related to these deposits is minimal.

American Players Theatre of Wisconsin, Inc.

Notes to the Financial Statements

Note 3 Pledges Receivable

Pledges receivable are unconditional promises to give. Management feels that the pledges receivable are fully collectible and, therefore, no allowance for uncollectible amounts has been established. The present value of the outstanding pledge receivable balance for 2008 and 2007 were discounted at a rate of 5%. A breakdown of pledges receivable by purpose is as follows:

	2008	2007
Pledges receivable for capital improvement	\$ 1,111,335	\$ 1,178,562
Pledges receivable for operations	77,269	121,269
Subtotals	1,188,604	1,299,831
Less - Present value discount	(52,588)	(72,575)
Totals	\$ 1,136,016	\$ 1,227,256

	2008
Future maturities on the pledges receivable are as follows:	
2009	\$ 504,544
2010	304,500
2011	314,735
2012	64,825
Subtotal	1,188,604
Less - Present value discount	(52,588)
Total	\$ 1,136,016
Current portion	\$ 504,544
Long-term portion	631,472
Total	\$ 1,136,016

Note 4 Investment Held by Others - Endowment

Statement of Financial Accounting Standards No. 136, *Transfers of Assets to a Not-for-Profit Organization or Charitable Trust That Raises or Holds Contributions for Others*, requires, among other things, that assets held by a related not-for-profit solely for the benefit of another not-for-profit (beneficiary) be recorded on the beneficiary not-for-profit's financial statements. The value of the assets is to be recorded on the statements of financial position as a long-term asset with a corresponding restricted net asset balance. Any change in the net asset value during the fiscal period is to be recorded in the statements of activities as an increase or decrease in net assets.

American Players Theatre of Wisconsin, Inc.

Notes to the Financial Statements

Note 4 Investment Held by Others – Endowment (Continued)

Donor-Designated Endowment

During an earlier period, a donor-restricted endowment trust was setup with an initial donation of \$100,000. The trust agreement states that the endowment will hold and invest the funds for the sole benefit of APT. The trust agreement indicates that the Trustees will meet yearly and consider funding requests from APT. Under the trust agreement, the principal balance is to remain intact and only the income may be distributed.

Changes in endowment funds were as follows:

	Temporarily Restricted	Permanently Restricted	Total
Endowment at January 1, 2007	\$ 90,389	\$ 100,000	\$190,389
Interest and dividends	2,891	0	2,891
Net appreciation	4,573	0	4,573
Total investment return	7,464	0	7,464
Appropriation of endowment assets for expenditures	(2,500)	0	(2,500)
Endowment at December 31, 2007	\$ 95,353	\$ 100,000	\$ 195,353
Interest and dividends	3,379	0	3,379
Net depreciation	(78,839)	0	(78,839)
Total investment return	(75,460)	0	(75,460)
Appropriation of endowment assets for expenditures	(2,000)	0	(2,000)
Endowment at December 31, 2008	\$ 17,893	\$100,000	\$ 117,893

Note 5 Fair Value Measurements

As discussed in Note 1, APT adopted SFAS No. 157, Fair Value Measurements, effective January 1, 2008. SFAS No. 157 did not materially affect APT's financial position or net assets; however, additional disclosures are now required. This statement describes a fair value hierarchy that includes three levels of inputs to be used to measure fair value. In general, APT determines fair values determined by Level 1 inputs utilizing quoted market prices in active markets, fair values determined by Level 2 inputs utilizing market information that is observable, such as quoted market prices for similar items, broker/dealer quotes, or models using market interest rates or yield curves and fair values determined by Level 3 inputs in which little or no market data exists. APT does not have any financial instruments valued using Level 1 or Level 3 inputs.

American Players Theatre of Wisconsin, Inc.

Notes to the Financial Statements

Note 5 Fair Value Measurements (Continued)

Information regarding the fair value of assets measured at fair value on a recurring basis as of December 31, 2008, is as follows:

	Assets Measured at Fair Value	Recurring Fair Value Measurements Using		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Endowment Fund held by Foundation	\$ 117,893	\$ 0	\$ 117,893	\$ 0

Note 6 Property and Equipment

A summary of property and equipment is as follows:

	2008	2007
Land	\$ 412,316	\$ 412,316
Buildings, stage, and sets	4,045,034	4,012,973
Light and sound equipment	48,293	48,293
Vehicles	89,880	79,885
Equipment	372,194	372,194
Construction in progress	2,513,400	294,846
Total cost	7,481,117	5,220,507
Accumulated depreciation	(1,843,113)	(1,658,546)
Property and equipment, net	\$ 5,638,004	\$ 3,561,961

APT has commitments with various construction contractors relating to the construction of a new theater. The total amount of commitments is approximately \$4,400,000. As of December 31, 2008 and 2007, APT had incurred construction costs totaling \$2,513,400 and \$294,846, respectively, related to the new theater. Construction is expected to end in the spring of 2009.

Note 7 Line of Credit

APT has a \$650,000 revolving business note with M&I Bank. The note is collateralized by essentially all business assets of APT. Interest only payments are due monthly at M&I Bank's prime rate (the rate at December 31, 2008 was 3.25%). The entire outstanding principle balance is due in April 2010. As of December 31, 2008 and 2007, the outstanding balance was \$0.

American Players Theatre of Wisconsin, Inc.

Notes to the Financial Statements

Note 7 Line of Credit (Continued)

APT has a \$40,000 line of credit with M&I Bank. The line of credit is unsecured. Interest is charged at M&I Bank's prime rate (the rate at December 31, 2008 was 3.25%). This line matures in December 2009. As of December 31, 2008 and 2007, there have been no draws on this line of credit.

In December, 2008, APT signed a \$2,400,000 construction loan agreement with M&I Bank. The note is collateralized by essentially all business assets of APT. Interest only payments are due monthly at 2.25% percentage points above the BBA One Month LIBOR index rate (the borrowing rate at December 31, 2008 was 2.81%). This construction loan matures in December 2009. As of December 31, 2008, there have been no draws on this construction loan.

Note 8 Temporarily Restricted Net Assets

Temporarily restricted net assets consist of the following:

	2008	2007
Pledges receivable	\$ 1,136,016	\$ 1,227,256
Restricted cash for capital improvements	0	1,018,923
Income earned on the interest in net assets of the endowment	17,893	95,353
Cash received for future operations	52,880	32,500
<u>Totals</u>	<u>\$ 1,206,789</u>	<u>\$ 2,374,032</u>

Note 9 Permanently Restricted Net Assets

Permanently restricted net assets consist of an endowment contribution of \$100,000.

Note 10 Community Foundations

In prior years, donors gifted funds to the Madison Community Foundation (MCF) for the purpose of establishing an APT fund. The fair value of the fund is \$35,213 and \$50,709 at December 31, 2008 and 2007, respectively. The agreement indicates that MCF will hold the funds in an APT fund and, therefore, are not reflected in APT's financial statements.

American Players Theatre of Wisconsin, Inc.

Notes to the Financial Statements

Note 11 Operating Lease Agreements

APT leases various properties for purposes of housing seasonal actors as well as office equipment for use in the main office. Monthly lease payments range from \$50 to \$680 and have various expiration dates from October 31, 2009 to October 31, 2017. Lease expense for the years ended December 31, 2008 and 2007, was \$130,139 and \$118,670, respectively. Future minimum lease requirements are as follows:

2009	\$ 100,374
2010	53,940
2011	55,175
2012	56,442
2013	55,586
Thereafter	226,528
<hr/>	
Total	\$ 548,045

Note 12 Employee Retirement Plan

APT has a retirement plan that covers all permanent full-time employees who work a minimum of 1,000 hours per year and have been employed for one year. The pension plan is invested in individual employee 403(b) accounts. The retirement benefits are fully vested with the plan participant at the time the funds are contributed. Contributions for the plan were \$29,609 and \$30,263 for the years ended December 31, 2008 and 2007, respectively. Future employer contributions are discretionary and determined annually subject to APT's profitability and plan limitations.

Additional Information

American Players Theatre of Wisconsin, Inc.

Schedule A-1

Schedule of Functional Expenses

Year Ended December 31, 2008

	Artistic and Production	Marketing and Patron Services	General and Administrative	Fundraising	Tour and Education	Total
Salaries, taxes, and benefits	\$ 1,538,579	\$ 404,770	\$ 398,954	\$ 235,889	\$ 78,357	\$ 2,656,549
Fees and royalties	213,465	0	0	0	0	213,465
Travel and living expenses	246,177	0	4,209	1,251	0	251,637
Audition and hiring	5,600	0	0	0	0	5,600
Other expenses	30,252	16,247	6,226	5,154	0	57,879
Production materials and fees	118,376	0	0	0	0	118,376
Supplies	26,614	0	89,260	0	0	115,874
Contractor fees	0	137,723	0	0	0	137,723
Advertising expenses	0	61,418	0	0	0	61,418
Publicity and promotions	0	24,757	0	0	0	24,757
Sales campaigns	0	107,422	0	0	0	107,422
Tour marketing	0	0	0	0	0	0
Audience services	0	29,194	0	0	0	29,194
Credit card commissions	0	99,448	0	0	0	99,448
Cost of goods	0	123,125	0	0	0	123,125
IT and office equipment	0	0	60,979	0	0	60,979
Utilities	0	0	50,202	0	0	50,202
Equipment and property rental	0	0	42,359	0	0	42,359
Administrative	0	0	48,754	0	0	48,754
Interest	0	0	294	0	0	294
Insurance and rain reserve	0	0	81,001	0	0	81,001
Donor relations	0	0	0	9,342	0	9,342
Direct mail	0	0	0	29,767	0	29,767
Programming	0	0	0	0	14,809	14,809
Special events	21,201	0	0	37,923	0	59,124
Total operating expenses	2,200,264	1,004,104	782,238	319,326	93,166	4,399,098
Depreciation	0	0	184,567	0	0	184,567
Total expenses	\$ 2,200,264	\$ 1,004,104	\$ 966,805	\$ 319,326	\$ 93,166	\$ 4,583,665

American Players Theatre of Wisconsin, Inc.

Schedule A-2

Schedule of Functional Expenses

Year Ended December 31, 2007

	Artistic and Production	Marketing and Patron Services	General and Administrative	Fundraising	Tour and Education	Total
Salaries, taxes, and benefits	\$ 1,435,443	\$ 393,177	\$ 388,328	\$ 167,151	\$ 143,340	\$ 2,527,439
Fees and royalties	197,509	0	0	0	8,915	206,424
Travel and living expenses	207,771	0	0	1,636	70,285	279,692
Audition and hiring	5,853	0	0	0	0	5,853
Other expenses	58,275	15,817	6,397	9,691	0	90,180
Production materials and fees	95,196	0	0	0	34,273	129,469
Supplies	34,075	0	99,110	0	0	133,185
Contractor fees	0	140,789	0	40,000	0	180,789
Advertising expenses	0	57,857	0	0	0	57,857
Publicity and promotions	0	27,457	0	0	0	27,457
Sales campaigns	0	136,446	0	0	0	136,446
Tour marketing	0	18,938	0	0	0	18,938
Audience services	0	28,639	0	0	0	28,639
Credit card commissions	0	85,683	0	0	0	85,683
Cost of goods	0	164,951	0	0	0	164,951
IT and office equipment	0	0	51,404	0	0	51,404
Utilities	0	0	45,448	0	0	45,448
Equipment and property rental	0	0	11,630	0	0	11,630
Administrative	0	0	50,322	0	0	50,322
Interest	0	0	324	0	0	324
Insurance and rain reserve	0	0	74,404	0	0	74,404
Donor relations	0	0	0	13,876	0	13,876
Direct mail	0	0	0	25,651	0	25,651
Programming	0	0	0	0	6,694	6,694
Special events	8,634	0	0	19,999	0	28,633
Total operating expenses	2,042,756	1,069,754	727,367	278,004	263,507	4,381,388
Depreciation	0	0	196,392	0	0	196,392
Total expenses	\$ 2,042,756	\$ 1,069,754	\$ 923,759	\$ 278,004	\$ 263,507	\$ 4,577,780

American Players Theatre of Wisconsin, Inc.

Financial Statements and Additional Information
Years Ended December 31, 2008 and 2007

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Independent Auditor's Report

Board of Directors
American Players Theatre of Wisconsin, Inc.
Spring Green, Wisconsin

We have audited the accompanying statements of financial position of American Players Theatre of Wisconsin, Inc. (a nonprofit organization) as of December 31, 2008 and 2007, and the related statements of activities and cash flows for the years then ended. These financial statements are the responsibility of American Players Theatre of Wisconsin, Inc.'s management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of American Players Theatre of Wisconsin, Inc. as of December 31, 2008 and 2007, and the changes in its net assets and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States.

Our audits were performed for the purpose of forming an opinion on the basic financial statements of American Players Theatre of Wisconsin, Inc. taken as a whole. The accompany schedules of functional expenses, Schedule A-1 to A-2, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

A handwritten signature in cursive script that reads "Wipfli LLP".

Wipfli LLP

May 28, 2009
Madison, Wisconsin

American Players Theatre of Wisconsin, Inc.

Statements of Financial Position

December 31, 2008 and 2007

<i>Assets</i>	2008	2007
Current assets:		
Cash	\$ 688,959	\$ 247,049
Certificate of deposit	101,594	0
Pledges receivable, current portion	504,544	496,971
Accounts receivable	11,118	28,798
Prepaid expenses	183,255	138,463
Gift shop inventory	33,783	0
Total current assets	1,523,253	911,281
Other assets:		
Interest in net assets of the endowment	117,892	195,353
Cash restricted for capital improvements	0	1,018,923
Pledges receivable	631,472	730,285
Total other assets	749,364	1,944,561
Property and equipment, net	5,638,004	3,561,961
TOTAL ASSETS	\$ 7,910,621	\$ 6,417,803
<i>Liabilities and Net Assets</i>		
Current liabilities:		
Accounts payable	\$ 672,732	\$ 73,243
Accrued payroll and related payroll expenses	38,817	4,977
Other accrued expenses	30,807	31,302
Deferred ticket revenue	25,800	30,170
Total current liabilities	768,156	139,692
Net assets:		
Unrestricted:		
Undesignated	197,672	242,118
Net property and equipment	5,638,004	3,561,961
Total unrestricted net assets	5,835,676	3,804,079
Temporarily restricted net assets	1,206,789	2,374,032
Permanently restricted net assets	100,000	100,000
Total net assets	7,142,465	6,278,111
TOTAL LIABILITIES AND NET ASSETS	\$ 7,910,621	\$ 6,417,803

See accompanying notes to financial statements.

American Players Theatre of Wisconsin, Inc.

Statements of Activities

Years Ended December 31, 2008 and 2007

	2008			Total
	Unrestricted	Temporarily Restricted	Permanently Restricted	
Operating revenue:				
Ticket sales	\$ 2,820,826	\$ 0	\$ 0	\$ 2,820,826
Sponsorship fees	72,103	0	0	72,103
Concession revenue	426,739	0	0	426,739
Tours and education	47,626	0	0	47,626
Investment income	43,097	0	0	43,097
Other	30,789	0	0	30,789
Total operating revenue	3,441,180	0	0	3,441,180
Operating expenses:				
Artistic and production	2,200,264	0	0	2,200,264
Marketing and patron services	1,004,104	0	0	1,004,104
General and administrative	782,238	0	0	782,238
Fund-raising	319,326	0	0	319,326
Tours and education	93,166	0	0	93,166
Total operating expenses	4,399,098	0	0	4,399,098
Loss from operations	(957,918)	0	0	(957,918)
Support:				
Contributions for operations	769,501	52,500	0	822,001
Contributions for capital improvements	903,613	305,603	0	1,209,216
Grants	53,083	0	0	53,083
Loss on net assets of the endowment	0	(77,461)	0	(77,461)
Net assets released from restrictions for operations	72,857	(72,857)	0	0
Net assets released from restrictions for capital improvements	1,375,028	(1,375,028)	0	0
Total support	3,174,082	(1,167,243)	0	2,006,839
Income from current activities	2,216,164	(1,167,243)	0	1,048,921
Depreciation expense	184,567	0	0	184,567
Total other activities	184,567	0	0	184,567
Changes in net assets	2,031,597	(1,167,243)	0	864,354
Net assets - Beginning of year	3,804,079	2,374,032	100,000	6,278,111
Net assets - End of year	\$ 5,835,676	\$ 1,206,789	\$ 100,000	\$ 7,142,465

See accompanying notes to financial statements.